



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV

611 RYAN PLAZA DRIVE, SUITE 400
ARLINGTON, TEXAS 76011-8064

December 23, 1996

W. L. Jenkins, President
Dyna Jet, Inc.
P.O. Drawer 9188
Columbus, MS 39705-9188

SUBJECT: NRC INSPECTION 30-13233/96-01 AND NOTICE OF VIOLATION

Dear Mr. Jenkins:

On November 22, 1996, the NRC completed an inspection of activities conducted at your Gillette, Wyoming, facility and at temporary jobsites in areas where the NRC maintains jurisdiction. The inspection included a site visit at your Gillette office on November 21 and 22, and review of information obtained through telephonic discussions with your radiation safety officer (RSO). A preliminary exit briefing was conducted with your RSO on November 20, 1996, followed by a second exit briefing conducted on November 22, 1996.

As discussed with your RSO during the exit briefing, one violation of NRC requirements was identified. This violation involved the transfer of control of NRC License No. 49-17724-01 on November 19, 1996, without ensuring that the Commission had secured full information concerning the transfer and without first receiving the Commission's consent in writing.

This violation is cited in the enclosed Notice of Violation (Notice). Please note that you are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

Although the Commission subsequently gave its approval for the November 19, 1996, transfer, we understand that further corporate changes may occur. Before you enact any further changes, you must ensure that you provide complete information for all of the items presented in Attachment 1 to Information Notice 89-25 (IN 89-25), Revision 1, "Unauthorized Transfer of Ownership or Control of Licensed Activities," and receive the Commission's consent in writing. We have enclosed a copy of IN 89-25, Revision 1, for your reference.

The inspector also verified actions taken to correct violations identified during our previous inspection, which were described in a Notice of Violation (Notice) issued by NRC on April 25, 1995. The inspector verified that corrective actions for the violations had been implemented as stated in your replies dated May 1 and May 19, 1995. For 13 of the 16 violations cited in the 1995 Notice, your corrective actions appeared completely effective.

However, corrective actions for three of the violations had not been fully implemented at the time of our inspection. Specifically, the following require completion: (1) an evaluation of occupational exposure to iodine-131 during tracer operations, (2) recording the results of storage area surveys, and (3) converting the results of removable contamination surveys from counts per minute to disintegrations per minute and recording these results on shipping/receiving records.

Based on the results of this inspection it appeared that management had a better understanding of the importance of complying with NRC requirements and had focused additional attention to the radiation safety program. Furthermore, interviews with Dyna Jet personnel indicated that efforts had been taken to improve their knowledge of NRC regulations and the conditions of the license.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, its enclosure(s), and your response will be placed in the NRC Public Document Room (PDR). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction.

Should you have any questions concerning this inspection, please contact William H. Radcliffe at (817) 860-8151 or Linda Howell at (817) 860-8213.

Sincerely,



Ross A. Scarano, Director
Division of Nuclear Materials Safety

Docket No.: 30-13233
License No.: 49-17724-01

Enclosures:

1. Notice of Violation
2. IN 89-25, Revision 1, "Unauthorized Transfer of Ownership or Control of Licensed Activities,"

cc w/Enclosure 1:
Wyoming Radiation Control Program Director
Texas Radiation Control Program Director

Todd Fink, RSO
Dyna Jet, Inc.
P.O. Box 2444
Gillette, Wyoming 82716

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